

[REDACTED]

CERTIFIED MAIL

[REDACTED]

MAR 02 1986

Ladies and Gentlemen:

We have considered your application for recognition of exemption from Federal income tax as an organization described in Section 501(c)(4) of the Internal Revenue Code.

The data submitted discloses you were incorporated on [REDACTED] under the laws of the state of [REDACTED]. Your stated purpose is to engage in the providing of bus service. Your organization has purchased a van to provide transportation to and from work for [REDACTED] persons. Each person will pay [REDACTED] a month to commute from [REDACTED] to their place of employment. The funds will be used for gas, tags, payment on a note and maintenance expenses.

Section 501(c)(4) of the Internal Revenue Code provides for the exemption from Federal income taxes of organizations not organized for profit but operated exclusively for the promotion of social welfare.

Section 501(c)(4)-(2)(i) of the Income Tax Regulations provides that an organization is operated exclusively for the promotion of social welfare if it is primarily engaged in promoting in some way the common good and general welfare of the people of the community.

In Revenue Ruling 69-175, 1969-1 C.B. 149, a non-profit organization formed by parents of pupils attending a private school that provides school bus transportation for the members' children was held to serve a private rather than a public interest, and did not qualify for exemption.

Similarly, Revenue Ruling 55-311, 1955-1 C.B. page 292 denied exemption to a vanpool formed for the convenience of its members for transportation to and from work. Thus, it served a private rather than a community service.

On the basis of the evidence presented and the Revenue Rulings cited, we find that you are not operating as a social welfare organization, since you serve the private interests of your riders rather than a community benefit. We have concluded you are not an organization described in section 501(c)(4) of the Internal Revenue Code.

	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Code		[REDACTED]					
Surname		[REDACTED]					
Date		3-3-86					

[REDACTED]

You do not qualify under any other section of 501(c).

You are therefore required to file Federal income tax returns on Form 1120.

If you do not accept our findings, we recommend that you request a conference with a member of our Regional Office of Appeals. Your request for a conference should include a written appeal giving facts, law and any other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional Office, or if you request, at any mutually convenient District Office. If we do not hear from you within 30 days of the date of this letter, this determination will become final.

Sincerely yours,

[REDACTED]  
District Director

Enclosure: Publication 892

[REDACTED]